

**TENTATIVE AGENDA AND MINI-BOOK
STATE WATER CONTROL BOARD MEETING
MONDAY, JANUARY 6, 2003
(RESCHEDULED FROM DECEMBER 11, 2002)
HOUSE ROOM D, GENERAL ASSEMBLY BUILDING
9TH & BROAD STREETS
RICHMOND, VIRGINIA**

Convene - 9:30 A.M.

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ADJOURN

NOTE: The Board reserves the right to revise this agenda without notice unless prohibited by law. Revisions to the agenda include, but are not limited to, scheduling changes, additions or deletions. Questions arising as to the latest status of the agenda should be directed to Cindy M. Berndt at (804) 698-4378.

PUBLIC COMMENTS AT STATE WATER CONTROL BOARD MEETINGS: The Board encourages public participation in the performance of its duties and responsibilities. To this end, the Board has adopted public participation procedures for regulatory action and for case decisions. These procedures establish the times for the public to provide appropriate comment to the Board for their consideration. In light of these established procedures, the Board accepts public comment on regulatory actions and case decisions, as well as general comments, at Board meetings in accordance with the following:

1. REGULATORY ACTIONS (adoption, amendment or repeal of regulations): For regulatory actions, public participation is governed by the Administrative Process Act and the Board's Public Participation Guidelines. Public comment is accepted during the Notice of Intended Regulatory Action phase (minimum 30-day comment period and one public meeting) and during the Notice of Public Comment Period on Proposed Regulatory Action (minimum 60-day comment period and one public hearing). Notice of these comment periods is announced in the Virginia Register and by mail to those on the Regulatory Development Mailing List. The comments received during the announced public comment periods are summarized for the Board and considered by the Board when making a decision on the regulatory action.

Comments on the regulatory action are not allowed at a Board meeting while a regulatory action is being processed in accordance with the Administrative Process Act. In rare instances the Board may (at a Board meeting) vote to reopen the public comment file on the regulatory action. If this happens, individuals may address the Board for up to 2 minutes on material previously submitted to the Board. Should the Board decide to accept new information on a regulatory action, an additional public comment period will be announced by the Department in order for all interested persons to have an opportunity to participate.

2. CASE DECISIONS (issuance and amendment of permits and consent special orders): The Board also makes case decisions. For case decisions, the Board adopts public participation procedures in the individual regulations which establish the permit programs. As a general rule, public comment is accepted on a draft permit for a period of 30 days. If a public hearing is held, there is a 45-day comment period and one public hearing. If a public hearing is held, a summary of the public comments received is provided to the Board for their consideration when making the final case decision. Public comment is accepted on consent special orders for 30 days.

Comments on pending case decisions at Board meetings are only accepted when the Board is considering final action on the case decision. At that time the Board will allow up to 15 minutes for the applicant/owner to make his complete presentation on the pending decision. The Board will then, in accordance with 9-6.14:11 C, allow others who participated in the prior proceeding (i.e., those who attended the public hearing or commented during the public comment period) up to 2 minutes to exercise their right to respond to the summary of the prior proceeding presented to the Board. The Board will not accept new information at the meeting. Should the Board decide to accept new information, a public comment period will be announced by the Department in order for all interested persons to have an opportunity to participate.

No public comment is allowed on case decisions when a formal hearing is being held.

3. PUBLIC FORUM: The Board schedules a public forum at each regular meeting to provide an opportunity for citizens to address the Board on matters other than pending regulatory actions or pending case decisions. Anyone wishing to speak to the Board during this time should indicate their desire on the sign-in cards/sheet and limit their presentation to not exceed 2 minutes.

The Board reserves the right to alter the time limitations set forth in this policy without notice and to ensure comments presented at the meeting conform to this policy.

Additional Information: For additional information or questions on the adopted public participation procedures for regulatory actions and pending case decisions, contact Cindy M. Berndt at (804) 698-4378.

REPORT ON FACILITIES IN SIGNIFICANT NONCOMPLIANCE

Four major facilities were reported to EPA on the Quarterly Noncompliance Report (QNCR) as being in significant noncompliance (SNC) for the quarter ending September 2002. The facilities and their reported instances of noncompliance are as follows:

PERMITTEE	TYPE OF NONCOMPLIANCE	ENFORCEMENT ACTION TAKEN?	PENALTY AMOUNT
City of Alexandria	Failure to meet effluent limits	No – Amendment of court order proposed	None

U.S. Marine Corps	Failure to meet effluent limits	No – Consent Order proposed	None
Omega Protein, Inc.	Failure to meet effluent limits	No – Consent order proposed	Not known
Perdue Farms, Inc.	Failure to meet effluent limits	No – Consent order proposed	None (Anticipated EPA penalty action)

Radford Army Ammunition Plant and Alliant Ammunition and Powder Company, LLC: A discharge monitoring report submitted by RAAP documented effluent limit violations for BOD₅ loading (max and average) during March 2002. Other minor effluent limit violations for other parameters were reported in April and May 2002. RAAP has provided satisfactory explanations of the other minor violations. They are not expected to recur and do not appear to have caused any significant impact. RAAP requested interim limits for BOD₅ and TSS and supplied a schedule for data collection. RAAP believes that enough data will be collected by November 30, 2002 to complete a permit modification application by January 15, 2003. The consent order before the Board requires RAAP to submit an application by January 15, 2002 for modification of BOD₅ and TSS limits at Outfall 007 in the Permit. The order also grants interim limits for BOD₅ and TSS for Outfall 007. There are no civil charges because there was no significant environmental harm, none of the violations are chronic, and the facility has been consistently seeking and responding to technical assistance efforts.

BEDFORD COUNTY PUBLIC SCHOOL BOARD - New London Academy: New London Academy (“New London”) is served by a package wastewater treatment plant operating under VPDES permit number VA0020826. New London received a permit modification on April 11, 2001. The permit modification added Total Kjeldahl Nitrogen (“TKN”) and dissolved oxygen limits and deleted the ammonia limit. Discharge Monitoring Reports (“DMRs”) for May through October 2001 indicate that New London failed to monitor for TKN for the months of May through October 2001. New London also failed to use the correct DMR form for those months. The consent order before the Board assesses a civil charge of \$1,680.00 for failure to monitor for TKN and for DMR errors. New London has had a chronic problem with discharge limit violations and incorrectly completed DMR forms.

BEDFORD COUNTY PUBLIC SCHOOL BOARD – Liberty High School: Liberty High School (“Liberty”) is served by a facultative lagoon with chlorination and dechlorination facilities operating under VPDES permit number VA0020796. In 1997, the Board issued a consent order that included a schedule of upgrades for Liberty and six other county schools. In 1998, at the request of the Bedford County Public School Board (“School Board”), the Board issued an Amendment to the 1997 Order extending the compliance deadlines for Liberty and New London Academy. Because the School Board failed to comply with the deadlines in the 1998 Amendment, the Board issued another Order in 2000 requiring the School Board to connect Liberty to public sewer by March 31, 2002. The School Board did not connect Liberty to public sewer by that date. The School Board expects to complete the connection by October 31, 2002. The consent order before the Board assesses a civil charge of \$3,655.00 for failure to connect to public sewer as required by the 2000 Order.

Boonsboro Country Club: Boonsboro Country Club (“Boonsboro”) is located in Lynchburg, Virginia. An unpermitted on-site sewage lagoon serves Boonsboro. On March 28, 2001, the Board issued a Consent Order to Boonsboro. The 2001 Order included interim effluent limits and a requirement that Boonsboro connect to public sewer, install an inground system, or obtain a permit by December 1, 2002. The Order also required Boonsboro to apply for a permit by December 1, 2001 if its chosen method of coming into compliance was a permit. Boonsboro notified DEQ that it had elected to apply for a permit on March 1, 2002 and submitted a permit application on June 17, 2002. Boonsboro reported interim effluent limit violations for BOD₅, TSS, and TRC during the period from July 2001 through March 2002. The consent order before the Board extends the deadline for obtaining a permit until March 1, 2003. DEQ staff expects the permit to be issued in December 2002. The order also includes a civil charge for the consent order schedule and interim limits violations. The civil charge assessed in the order is \$4,335.00. With a \$3,251 offset for a SEP, the final amount to be paid by Boonsboro is \$1,084.00. The

SEP involves installation of a hazardous materials storage building at an estimated cost of \$9,254.79. The maximum SEP offset allowed under DEQ guidance of 75% (\$3,251) was applied.

Pittsylvania School Board: The School Board entered into a Letter of Agreement with the Department of Environmental Quality in 1998 to resolve certain operational, monitoring, and reporting violations for the facilities. From October 2001 through March 2002, the facilities received a total of seven Notices of Violations for operational, monitoring, reporting, and effluent limits violations. The Order requires the School Board to operate and maintain the facilities in accordance with their Operations and Maintenance Manual, and to comply with all Permit reporting requirements. Compliance with the Order will be determined by an unannounced site inspection of the facilities within one year of the issuance of the Order. The School Board is required to pay a civil charge of \$4,060.00. \$1,015.00 must be paid within thirty-days of issuance of the Order, and the remainder of \$3,045.00 shall be satisfied upon completion of a Supplemental Environmental Project ("SEP") in accordance with Va. Code § 10.1-1186.2. The SEP requires the operators of the facilities to satisfactorily complete the Virginia Polytechnic Wastewater Treatment Operators Short Course by September 23, 2003. The SEP meets the statutory requirements because the facilities are not required to have licensed operators at this time.

Gunston Elementary School Sewage Treatment Plant, Fairfax County School Board: Fairfax County is upgrading the Gunston Elementary School sewage treatment plant ("STP") to achieve compliance with final Permit effluent limits for ammonia. The Permit's schedule required that the STP achieve compliance with final limits by June 30, 2001, but construction of the upgrade was delayed because the single bid received for the project exceeded the County's allocated funding. As a consequence, the project had to be redesigned, rebid, and the funding for the project reallocated. The upgrade is now substantially complete, but the STP is undergoing minor, unanticipated equipment repairs. At present, the County anticipates that the STP will achieve compliance with final Permit effluent limits for ammonia by March 1, 2003. The proposed Consent Special Order includes a schedule of compliance for the construction of the upgrade of the STP and provides interim effluent limits for ammonia, biological oxygen demand ("BOD"), total suspended solids ("TSS"), and dissolved oxygen ("DO") while the construction of the upgrade is in progress and during the 60-day startup period after construction is complete. The Order provides interim effluent limits for BOD, TSS, and DO primarily as a safeguard to ensure compliance during the startup period. Fairfax County estimates that the cost of upgrade is approximately \$200,000.00. There is no civil charge,

Issuance of VPDES Permit No. VA0026514, Dahlgren WWTP, King George County: On March 13, 2002, the Northern Virginia Regional Office (NVRO) of DEQ received an application from the King George County Service Authority for the reissuance of the above referenced permit. Accompanying the application was a request for: 1. An expansion of the permitted discharge from 0.5 mgd to 1.0 mgd and; 2. A relocation of Outfall 001 from its present location on Williams Creek to a location at the confluence of Williams Creek and Upper Machodoc Creek where the river is much larger. The facility expansion, upgrade, and outfall relocation will allow the County to comply with the limitations of its discharge permit and with conditions of a recently modified Consent Special Order issued by the State Water Control Board, on October 3, 2002. When NVRO first received the application, several citizens called and wrote about their concerns with the new location being near recreational use of the river. NVRO also received comments from a commercial oyster operation stating their concerns that the discharge might interfere with oyster beds they have leased in the general area. As part of the application process, staff received documentation from VDH's Department of Shellfish Sanitation indicating that the shellfish beds in the area were already condemned and that the outfall relocation would not result in any new shellfish bed condemnation. Staff also received a message from the Virginia Marine Resources Commission indicating that there were no public oyster beds in the area and that there had been little or no reported harvest from the private beds in the area. Therefore, based on the information received from DSS and VMRC, staff proceeded with the development a draft permit for the discharge and proposed discharge location. Staff will summarize for the Board at the December 11, 2002, meeting any and all comments received at the hearing and during the remaining part of the comment period.

Shannon, Inc., d/b/a Al's Market: A petroleum release was reported on May 20, 1999, which resulted in compliance requirements and remediation of the site. Al's Market has three underground storage tanks (USTs) with associated piping. The facility failed to conduct release detection for the product piping and provide leak detection data for the three underground storage tanks. The facility also failed to provide the financial demonstration records for release detection. A Notice of Violation was issued for these violations. In addition, the facility was late providing the Addendum to the site Characterization Report, initiating free product removal; and providing the Corrective Action Plan (CAP). The facility has started remediation of the site. The groundwater monitoring wells have been installed and the facility has provided part of the missing data to the Department. The Order also requires and contains a schedule, for the facility to provide an Addendum to the Site Characterization Report; initiate free product removal; and provide the Department a Corrective Action Plan (CAP) for the site. The Order additionally provides for a \$900 civil charge.

Richmond International Raceway: The Richmond International Raceway (RIR) was issued a VWP permit in January 2001, to construct a parking lot expansion located in Henrico County. The permit allows for impacts to 0.17 acres of forested wetlands and 0.34 acres of State waters and requires compensatory mitigation by requiring the preservation of 6.7 acres of wetlands on-site in conjunction with the purchase of 0.51 credits at a wetland mitigation bank. In March 2002, DEQ staff contacted the consultants of the RIR to determine the status of compliance with the VWP permit. The consultants stated that the parking lot expansion was completed. DEQ staff informed the consultants that certain conditions of the permit had not been complied with and the following information was required: documentation that the required mitigation credits had been purchased, documentation that the preservation had been confirmed by the U.S. Army Corps of Engineers as wetlands, proof of recordation of the preservation instrument in the chain of title to the property prior to construction activities, final plans and specifications for the activities authorized by the permit, and a certified notification letter 10 days prior to the start of construction. The permit also requires that construction in the wetlands shall not proceed until the above requirements have been met. A Notice of Violation was issued to RIR in June 2002 citing the above permit violations. The project has been completed and the permittee has submitted all of the required documentation to DEQ. The Order provides for a \$3,500 civil charge.

Virginia State Golf Association, Inc.: The Virginia State Golf Association, Inc. (VSGA) was issued a permit in November 1999 to construct a 627 acre residential golf course community located in Powhatan and Chesterfield Counties. The permit allows impacts to 2.53 acres of nontidal forested headwater wetlands and 0.17 acres (3006 linear feet) of intermittent stream channel. The permit requires the mitigation of on-site creation of 5.06 acres of forested wetlands and of 10.22 acres of open-water impoundment. In March 2002, DEQ staff met on-site with the consultants for the VSGA project to discuss a permit modification request and to perform a site inspection. DEQ staff observed additional impacts to the environment prior to authorization of the permit modification request, and an additional 300 linear feet of impacts to State waters, that were not included in the permit modification request. Staff also observed that the permittee had failed to clearly flag or demarcate non-impacted wetlands within 50 feet of any clearing or grading during active construction activities as the permit requires. A Notice of Violation (NOV) was issued to VSGA in May 2002 citing the permit violations, as listed above. The Order requires that the permittee record protective buffers along Michaux Creek, submit an approvable final stream channel restoration plan, implement the approved plan, and to clearly flag or demarcate non-impacted wetlands in active construction areas as the permit requires. The Order also requires the payment of a \$10,000 civil charge.

Mr. Charles Ayers d/b/a Cloverhill Estates L.L.C.: Mr. Chares Ayers was issued a VWP Permit on October 13, 1998, to construct a 72 acre phased residential subdivision known as Cloverhill Estates in Chesterfield County. The permit authorized the fill of no more than 2.035 acres of wetlands and impacts to no more than 1,326 linear feet of streambed. In partial mitigation, the permittee was to preserve 2.5 acres of wetlands on-site. In September 2001, DEQ was notified by the U.S. Army Corps of Engineers that there were unauthorized impacts at the site. A joint site visit with the Corps on October 3, 2001, confirmed that the permittee had exceeded by approximately 1000 linear feet the authorized impacts to

State waters. In addition, staff review of the file revealed that the permittee had failed to provide proof of recordation of written protection for the 2.5 acres preservation areas prior to impacting State waters as the permit requires. A Notice of Violation (NOV) was issued to Mr. Charles Ayers on December 19, 2001, for unauthorized impacts to waters of the State by exceeding the authorized 1,326 linear feet of streambed impacts; and for failure to provide proof of recordation of the protective instrument for the areas of preservation prior to initiation of construction activities in State waters. The Order requires that the permittee restore the unauthorized impacts to State waters; submit the required monitoring reports for the streambed restoration activities; provide proof of recordation of the protection of the 2.5 acres of wetland preservation; and submit a permit modification request with the associated permit fee. The Order also requires the payment of a \$11,000 civil charge.

Henrico County: Henrico County owns and operates a wastewater treatment facility in Varina, Virginia. This facility is the subject of VPDES Permit No. VA0063690, which allows Henrico County to discharge treated wastewater into the James River. The proposed Order addresses twenty five sanitary sewer overflows and twenty one permit effluent violations at Henrico County water reclamation facility. The facility is currently undergoing an upgrade and expansion. To address the sanitary sewer overflows, the proposed Order requires the submittal of a formal operation and maintenance manual for the sewer collection system and a five year schedule for the completion of previously identified inflow and infiltration (I&I) projects. To address effluent violations, the Order requires the County to develop and implement a detailed written interim startup program for optimizing operational efficiency of new and existing treatment units during construction of the current upgrade. In addition, the County will develop a preventative action plan to assist treatment plant operators in the diagnosis and treatment of influent constituents that may cause toxicity or inhibition to the sludge biomass. The Order also includes payment of a \$25,500 civil charge.

Baymark Construction Corporation: On August 22, 2000 DEQ issued Virginia Water Protection Permit #93-0149 to Baymark Construction Corporation for a dredging project associated with the construction of the Kings Creek Marina. Part I.F.1 of the Permit requires that DEQ be notified in writing 10 days in advance of the start of the dredging and 10 days after completion of the work. Part I.F.3 of the Permit specifies that the maximum depth of the dredging is -8.0 feet mean low water. Part I.F.18 of the Permit requires that a post-dredge survey be submitted within 30 days of the completion of each dredging event. Baymark finished dredging sometime in December, 2001. DEQ was informed of the dredging completion upon receipt of the post dredge survey on April 17, 2002. The post-dredge survey indicates that the maximum dredging depth was exceeded in the majority of the basin by approximately 1 foot. The proposed order will require the owner to comply with their permit and pay a civil charge of \$980.00.

Wrecking Corporation of America, St. Louis, Inc.: On October 31, 2001, DEQ staff investigated a complaint at the Yorktown Naval Weapons Station ("YNWS") that oil from three electrical transformers was dumped into a hole during the demolition of a building. Wrecking Corporation was the subcontractor for the demolition. The Navy excavated the area and found that oil was present in the hole. The Navy took samples of residual oil from the transformers which had been dumped in nearby woods. They also took samples of the oil dumped into the hole. The laboratory analyses indicated that they were from the same source. The total amount of oil dumped into the hole was approximately 31 gallons. The Navy excavated and disposed of the oil-contaminated soil. DEQ has signed off on the clean-up of the site. The oil was analyzed and does not contain PCBs. We have no evidence of surface or groundwater contamination. The order imposes a \$2,329 civil charge, \$157 in investigative costs.

Hampton University: On March 6, 2002, DEQ received a report from the Virginia Marine Resources Commission concerning the disposal of horse manure from Hampton University's stable into John's Creek. DEQ compliance staff (Staff) inspected the site on March 7, 2002 and found two piles of horse manure mixed with straw and other material on the bank of the creek. Next to one pile of horse manure was a PVC pipe, which was traced back to a barn owned by Hampton University. The Hampton University stable manager stated that the wash water from the barn drained through the pipe into John's Creek. A screen was put over the pipe to reduce the amount of solid material entering the pipe.

Reportedly, the barn is washed every day. Hampton University moved horses into the stables in July 2001. On March 11, 2002, Staff conducted another inspection and found that the screen covering the pipe had been removed. The Director of Buildings and Grounds stated that Hampton University replaced the pipe when they first occupied the stable because it had clogged. A NOV was issued to Hampton University on March 19, 2002, for the unpermitted discharges from the barn to John's Creek. The discharge originates from a three-horse stable resulting in a relatively small flow. DEQ sampled for fecal coliform but due to the natural flushing characteristics, the results did not indicate any high levels of contaminants. Hampton states the manure piles on the creek bank were left by the previous property owner. DEQ does not have evidence indicating otherwise. The pipe has been capped and the two manure piles have been moved across the street away from the creek bank. Hampton University has connected the horse stables to the City of Hampton sewer system. The order imposes a \$2,000.00 civil charge.

Titan Virginia Ready-Mix, LLC – Port Norfolk (Titan): Staff inspected this facility on May 9 and May 11, 2001, and observed a mud pump and hose at the sedimentation pits. Concrete solids were on the ground at the end of the hose and a trail of solids led from the sedimentation pits onto the adjacent property. Standard operating procedures for cleaning the sedimentation pits is to pump the wastewater from the sedimentation pits to a holding tank. The pits are then cleaned and the water is pumped back to the pits. Apparently, while conducting this procedure, once the pits and holding tank were filled, the untreated wastewater was discharged onto the ground. Proper operations, according to the O&M Manual, would have been to neutralize the water in the holding tank and discharge it through the permitted Outfall 001. A Notice of Violation was issued on June 26, 2001, for the unpermitted discharge of untreated process wastewater from the sedimentation pits onto the ground. The degree of environmental damage is not known. The proposed order requires payment of a civil charge of \$2,200.00. In addition, the order acknowledges extensive construction activity at this site being conducted by the Virginia Department of Transportation.

Burke, LLC: On March 23, 2001, DEQ compliance staff (Staff) responded to a telephone call alerting DEQ to construction of two storm water ponds in York County. During a site visit, Staff observed that the construction of the two storm water ponds, approximately 32 acres in size, had been completed. DEQ investigations indicate that the ponds are converted burrow pits used to support the construction of the Grove Interchange on Interstate 64 near Busch Gardens. Burke L.L.C., the property owner, converted the burrow pits into a lake, by stabilizing the banks, as part of the construction of a single-family dwelling. On April 4, 2001, DEQ contacted the site engineer regarding the need for a storm water general permit associated with construction activity. The site engineer stated that he was aware of the need for a permit. A Notice of Violation was issued on April 24, 2001 to Burke, LLC for commencing construction activity prior to the submission of the registration statement. On April 26, 2001, the Tidewater Regional Office received a completed VPDES Registration Statement for the Burke Property. Burke, L.L.C. obtained a York County Land Disturbing Activity permit for the Burke Property. According to inspection reports from the York County Building Inspection Office, there were minor erosion problems during construction. Reportedly, these erosion problems were corrected once noted by the Building Inspector. Construction of the lakes was finished by the time Staff inspected the site. Currently, there is little or no water in the lake. The order imposes a civil charge of \$800.00.

Town of Monterey: Monterey owns and operates a wastewater treatment facility which treats wastewater from the Town and surrounding areas in Highland County, Virginia. Treated wastewater from the facility discharges to West Strait Creek in the Potomac River Basin. In 1993, Monterey completed construction of a new wetlands treatment facility to treat domestic wastewater, as required by a previous Consent Order. Since 1993 Monterey has experienced chronic violations of its Permit's final effluent limitations for chlorine, pH, and DO, and occasional CBOD and TSS violations. DEQ has cited Monterey for violations of its previous Consent Order which include failure to complete construction in a timely manner and failure to meet the Permit's final effluent limits. The Town also experiences a significant inflow and

infiltration (I&I) problem that causes extreme variability in flows to the plant and contributes to recurring Permit violations. The Permit issued in September 1997, contained new effluent limitations for ammonia and provided a 4-year schedule to achieve compliance with these new limits. The Permit to be reissued in 2002 contains final effluent limitations for ammonia. Monterey's monitoring data indicates that the facility will be unable to meet the ammonia limits without an upgrade to the STP. DEQ has conducted benthic surveys on the receiving stream that have shown severe adverse impacts as a result of Monterey's discharge. DEQ issued Notices of Violation following these surveys for apparent violations of the Permit and Virginia's General Water Quality Standard which requires that all state waters be maintained free from sewage and other wastes in amounts that interfere with reasonable, beneficial uses of such waters. Since 1998 Monterey's Town Council has been working closely with VRO staff to abate the violations and has implemented many recommendations made for interim improvements to the STP. The Town has also taken steps to identify and correct I/I problems with the sewer system. The Order would require Monterey to implement interim measures to improve plant performance until an upgrade is completed. The Order would require Monterey to develop a PER to address chronic pH and chlorine violations and to install an upgrade upon DEQ's determination that such an upgrade is feasible. The Order would require Monterey to complete identified I&I work. If the facility is not able to consistently meet final effluent limits after completing the I&I work, the Order would require Monterey to provide either a schedule for additional I/I work or a schedule for an upgrade of the STP to meet Permit limits, or both. Monterey has provided financial information to DEQ documenting its inability to pay a civil charge above and beyond the cost of returning to compliance. A civil charge for these violations will therefore not be assessed.

Bontex, Inc.: Bontex owns and operates a wastewater treatment facility serving its paperboard manufacturing facility in Rockbridge County, Virginia, which is the subject of VPDES Permit No. VA0004791. The Facility discharges to the Maury River in the Upper James River basin. Since August 1996, Bontex has had periodic difficulty meeting the Permit's final effluent limitation for Acute WET. Bontex exceeded the Permit's Acute WET effluent limitation in three of four quarterly sampling events in 2000. DEQ issued an NOV on March 14, 2001, to Bontex for Acute Whole Effluent and TSS violations occurring during the period June 2000 through December 2000. On June 29, 2001, DEQ investigated a pollution complaint regarding the discharge of solids to the Maury River which DEQ attributes to an unusual discharge from the Bontex plant. DEQ issued an NOV on September 18, 2001, to Bontex for General Water Quality Standards violations as a result of the discharge of solids to the receiving stream. On November 24, 2001, DEQ received a pollution complaint regarding a fish kill on the Maury River. DEQ conducted a fish kill investigation during which staff observed a total of 470 dead fish. DEQ staff conducted inspections of the Facility as a result of the fish kill which identified a number of apparent operation and maintenance ("O&M") deficiencies at the Facility. During a follow-up inspection on December 7, 2001, DEQ staff observed an ongoing fish kill in the Maury River. The DEQ conducted a fish kill investigation and determined that the source of the fish kill was the Bontex Plant. DEQ staff counted a total of 64 dead fish. DEQ issued an NOV on January 30, 2002, to Bontex for violations resulting from the fish kill including General Water Quality Standards violations, unpermitted discharge, and failure to give advanced notice to DEQ of any planned changes in the permitted facility for activity which may result in noncompliance with permit requirements. The Order would require Bontex, Inc. to make operational changes at the plant and to provide upgrades to the plant to ensure it can meet final effluent limitations. The Order includes a suspended civil charge and collects the cost of the fish kill: \$3693.80 to cover the costs of the fish kill investigation and \$1282.93 to cover the fish replacement costs.

The Town of Mt. Jackson: The Town of Mt. Jackson owns and operates the Mt. Jackson sewage treatment plant ("STP") under the terms of VPDES Permit No. VA0026441 ("the Permit"). The Permit authorizes Mt. Jackson to discharge treated sewage from the STP to the North Fork Shenandoah River. On January 29, 2002, staff of the Valley Regional Office conducted a routine inspection of the Mt. Jackson STP. During the inspection, staff observed that the STP had caused an accumulation of solids

(sludge blanket) in the North Fork Shenandoah River. Based on the inspection, on February 19, 2002, DEQ issued Notice of Violation No. W2002-02-V-0001 to Mt. Jackson, citing violation of the general standard of State Water Control Law. Mt Jackson initiated removal of the sludge blanket from the stream. DEQ staff subsequently inspected the outfall location and found that the sludge blanket had been successfully removed. DEQ staff and the Town both believe that the sludge blanket was caused by the Town's inability to waste solids as frequently as needed. In order to prevent recurrence of the violation, Mt. Jackson has submitted a corrective action plan, dated March 5, 2002. The plan has been incorporated into Appendix A of the proposed Order. The proposed Order includes additional provisions for monitoring the success of the corrective action plan. The Mt. Jackson STP will be taken offline in the summer of 2003 at which time the Town will connect, by way of a new interceptor, to the new North Fork Shenandoah Regional Sewer Authority's STP (the former Aileen wastewater treatment plant). A civil charge of \$3,500.00 is imposed: cash civil charge (1 % of total) of \$35.00 and a Supplemental Environmental Project to offset 99% (\$3,465.00). Under the proposed Order, Mt. Jackson will perform a Pollution Prevention (P2) Supplemental Environmental Project that entails paving a portion of the driveway at its STP complex as a means to control fugitive dust emissions.

R. S. Glass: R. S. Glass owns and operates the Facility which serves a trailer park, a laundromat, and a restaurant in the area of Zion Crossroads, Fluvanna County, Virginia. This facility is the subject of VPDES Permit VA0082988, which allows the Facility to discharge treated wastewater to an unnamed tributary to Hunters Branch. On April 29, 2002, DEQ staff conducted a site inspection of the Facility. During this inspection, DEQ staff observed a significant accumulation of sludge in the receiving stream which was attributed to the R. S. Glass sewage treatment plant. This sludge persisted in the stream for approximately 0.25 miles. A follow-up inspection on June 5, 2002, found low DO measurements in much of the stream reach surveyed and that the sludge depths in the stream ranged between 8 to 12 inches in the first 200 yards of the stream. DEQ issued a NOV on April 30, 2002, to R. S. Glass for General Water Quality Standards violations occurring in April 2002. On June 19, 2002, R. S. Glass's stream cleanup consultant began a cleanup of the receiving stream. This stream cleanup continued during the period from June 19 through June 21, 2002, and removed approximately 12,500 gallons of sludge material from the stream. The Permit required R. S. Glass to test and report the results of effluent testing for certain parameters including copper and zinc. The monitoring results were due by December 10, 2000. On August 8, 2002, R. S. Glass submitted effluent testing results that indicated there is a reason to believe copper and possibly zinc are present in the effluent in concentrations that may be toxic when discharged. On the basis of these results, DEQ will incorporate limits for copper and possibly zinc when the permit is reissued November 8, 2004. The Order would require R. S. Glass to conduct an evaluation of the effects of the laundromat's effluent on the performance of the plant and then to provide upgrades to the plant to ensure that it can meet final effluent limitations. The Order includes a civil charge of \$7,700.00.

The Little Oil Company: The Little Oil Company (Little Oil), previously owned an underground storage tank (UST) facility located at 2900 West Main Street in Waynesboro, Virginia. Little Oil stored petroleum in these USTs under the requirements of 9 VAC 25-580-10 et seq. Underground Storage Tanks: Technical Standards and Corrective Action Requirements (UST Regulations). The UST regulations require that owners of UST facilities protect steel components of the USTs from corrosion. A January 30, 2002, formal UST inspection performed at the facility revealed that Little Oil was not protecting steel components of the USTs at the facility. It also revealed other administrative deficiencies. DEQ issued a Warning Letter to Little Oil, dated February 6, 2002, for all these alleged violations. The administrative deficiencies were expeditiously resolved via documentation submitted to the DEQ on March 13, 2002. On April 15, 2002, Little Oil informed the DEQ of its intention to install containment sumps around the steel components of the USTs in order to protect them from corrosion. DEQ staff contacted Little Oil on June 20, July 15 & 30 and August 8 & 15 2002 in an attempt to determine Little Oil's progress in this matter. No response was received. As a result of the continuing violation regarding failure to protect steel components of the USTs from corrosion, the DEQ issued a Notice of Violation to Little Oil on August 9, 2002. Prior to issuance of the NOV, Little Oil did not protect steel components of the USTs from corrosion and subsequently sold the USTs located at this facility to another party on June 28, 2002. As Little Oil is no longer the owner of the USTs, they are no longer responsible for the

corrosion protection of steel components of the USTs. However, despite the subsequent sale of the USTs to another party, Little Oil is still responsible for past violations at the facility. After receiving the NOV, Little Oil promptly hired a contractor to install containment sumps and sleeves around steel sections of the UST system to protect them from corrosion. This work was completed by August 22, 2002. No corrective action remedy is sought by the DEQ. The proposed order requires Little Oil to pay a civil charge of \$644.00.

Falls Grocery: John H. Falls d.b.a. Falls Grocery (Falls) owns and operates an underground storage tank (UST) facility located at 7376 Rockfish Valley Highway in Afton, Virginia. Falls stores petroleum in these USTs under the requirements of 9 VAC 25-580-10 et seq. Underground Storage Tanks: Technical Standards and Corrective Action Requirements (UST Regulations). The UST regulations require that owners of UST facilities perform release detection on the USTs and associated piping, protect steel components of the USTs from corrosion and install overfill and spill prevention on the USTs. A complaint investigation conducted by DEQ staff on March 17, 1999 revealed that Falls was operating the USTs without overfill, spill or corrosion protection and without performing release detection in violation of the UST regulations. A February 15, 2000 formal inspection of the facility confirmed the continuing violations noted during the complaint investigation. DEQ staff issued a Warning Letter to Falls on February 28, 2000 and negotiated a Letter of Agreement with Falls, which was signed and returned to DEQ on March 13, 2000. It required that Falls bring the facility into compliance by June 5, 2000. Falls failed to do so. As a result of contamination found during the closure of some USTs at the facility, PC #2000-6141 was opened. On June 6, 2001, DEQ staff issued a second Warning Letter to Falls for the continuing violations on the remaining USTs. Falls failed to comply with the UST Regulations. As a result of the continuing violations, DEQ staff issued an NOV to Falls on February 7, 2002. After performing an evaluation of the USTs for possible upgrade to achieve compliance with the UST Regulations, Falls emptied the USTs and placed them in temporary closure. Based on the information from the UST inspection reports, Falls had no records of performing release detection on the USTs and associated piping or of installing corrosion protection on the USTs and associated piping, even though Falls had told DEQ that it had done so. Falls did install overfill and spill prevention on the remaining USTs during March 1999. When Falls finally did perform an integrity assessment on the remaining USTs, in April 2002, prior to installing corrosion protection, the USTs failed the assessment and were not eligible for upgrade. Additionally, Falls did not perform release detection until January 2002 and then only on one UST. Falls did not comply with the UST Regulations while the USTs were in use. It was only able to comply by placing the USTs in temporary closure, which it did on June 20, 2002. Based on this closure, the facility is in compliance with the UST regulations. The proposed order requires Falls to pay a civil charge of \$7,227.00 and permanently close the USTs by June 1, 2003. The estimated cost to permanently close the USTs is \$9,986.00.

Issuance of VPDES Permit No. VA0091057, Brookside Family Dining, Bath County: The applicant, Bathco Services, LLC, has applied for issuance of Virginia Pollutant Discharge Elimination System (or VPDES) Permit No. VA0091057 to authorize the discharge of treated wastewaters from a sewage treatment plant serving a 60-seat restaurant. The restaurant, Brookside Family Dining, is located at the intersection of Rt. 689 and Rt. 39/42 near Millboro Springs in Bath County. The permit application was first submitted on April 3, 2002, and it proposed to discharge treated sewage wastewater to Lick Run, a stream located adjacent to the facility. Additional information was received on May 9, 2002 and the application was deemed complete on May 20, 2002. A public hearing was held on November 4, 2002. Approximately 43 citizens attended the public hearing. Mr. Creigh Deeds, Senator, was also present at the hearing. Six attendees provided oral comments during the hearing. A summary of the comments and agency response are available from the Department.

Consideration of Ten Waters (Three Citizen Petitions and Seven DEQ Candidates) for Exceptional Waters Designation: Staff intends to ask the Board at their December 11, 2002 meeting for a decision on whether or not to initiate rulemakings to amend the Water Quality Standards regulation to designate as an Exceptional Water three citizen petitions, portions of six waters that flow through US Forest Service lands and one lake on US Fish and Wildlife Service land. At the October 3, 2002 meeting of the State Water

Control Board, staff presented for Board consideration for Tier III, exceptional waters designation three citizen petitions as well as a staff list of seven candidate waters located on federal lands.

Petitions

Bottom Creek	Montgomery & American Rivers Roanoke Co.	Bent Mountain Civic League Friends of the Rivers of VA Friends of the Roanoke River Trout Unlimited
Ragged Island Creek	Isle of Wight Co.	Isle of Wight Citizen's Association
Little Stony Creek	Giles Co.	Friends of the New River Friends of the Rivers of VA Trout Unlimited

Candidate Waters Located On Federal Lands

Brown Mountain Creek	Amherst Co.	U.S. Forest Service
Lake Drummond	City of Chesapeake City of Suffolk	U. S. Fish and Wildlife Service
Laurel Fork	Highland Co.	U.S. Forest Service
North Fork of the Buffalo River	Amherst Co.	U.S. Forest Service
Pedlar River	Amherst Co.	U.S. Forest Service
Ramseys Draft	Augusta Co.	U.S. Forest Service
Whitetop Laurel Creek	Washington Co.	U.S. Forest Service

To be designated and protected by an Exceptional Water, or Tier III, designation, the nominated water body must meet certain eligibility criteria. The nominated water body must exhibit an exceptional environmental setting and either support an exceptional aquatic community or support exceptional recreational opportunities which do not require modification of the existing natural setting. Staff has concluded that nine of the ten waters meet the eligibility criteria, but staff has concerns about the eligibility of Brown Mountain Creek in Amherst County. Brown Mountain Creek is a headwaters stream that is a tributary to another candidate waterbody, the Pedlar River. The U.S. Forest Service had suggested that DEQ staff consider this stream as a potential candidate for Exceptional Waters designation because the Appalachian Trail parallels a portion of the stream and the creek is classified by the Department of Game and Inland Fisheries as a class ii wild natural trout stream; however, the creek did not demonstrate the exceptional environmental setting that typified the other candidate streams located on U.S. Forest Service property.

Amendment of the General Virginia Pollutant Discharge Elimination System (VPDES) Permit Regulation for Ready-Mixed Concrete Plants (9 VAC 25-193-10 et seq.): This general permit regulation provides a general permit for point source discharges of storm water runoff and process wastewaters associated with the operation of ready-mixed concrete plants where the primary industrial activity is classified as Standard Industrial Classification (SIC) Code 3273. In 1998 the Board issued the existing general permit which will expire on September 30, 2003. In order to provide continued coverage for permittees, another general permit regulation must be in effect by that date. Based on recent federal regulatory changes in storm water management and our past five-year experiences in administering this program, some revisions have been made to the general permit regulation. Many of them are minor wording changes designed to clarify the intent of the regulation. At the December meeting the staff will ask the Board for authority to issue a public notice and hold a public hearing on the draft regulation.

Water Quality Standards Adoption of EPA Disapproved Standards: Staff intends to ask the Board for approval to adopt amendments to the Water Quality Standards regulation. These amendments are extracted from the triennial review proposal that was approved for public hearing at the December 2001 quarterly meeting. In order to give due consideration to the numerous comments submitted on a variety of issues, the staff think it prudent to extract the two EPA disapproved sections for Board adoption at the December 2002 meeting and to reserve the remainder of the amendments for Board consideration at the March 2003 meeting. The EPA disapproved 9 VAC 25-260-30 (antidegradation policy) and 9 VAC 25-260-140 (1,1 dichloroethylene criterion). These disapprovals must be addressed as soon as possible by the

state or risk EPA promulgation of the amendments. EPA was sued for not adopting federal standards in a timely fashion for these items and has asked the state to finalize these two items as soon as possible in order to meet their consent decree requirements. **Antidegradation:** EPA disapproved the antidegradation policy, stating that the Board must remove references to language that limits antidegradation protection to State Water Control Board activities. We have incorporated EPA's required changes and included removal of words referring to the Board's authority, the Board's regulated activities or the Board's jurisdiction. Other changes required by EPA to the antidegradation policy include clarifying that there shall be achieved the highest statutory and regulatory requirements applicable to all new *and existing* point sources discharges of effluent ... rather than all new *or increased* point sources as it currently reads. This change is considered a minor change and reflects existing implementation practices. Another change was made by staff to better match the policy to EPA's federal language. The language in 9 VAC 25-260 30.A.2 says, "In allowing such degradation or lower water quality, the board shall *ensure* water quality adequate to protect existing uses fully. Further, the board shall *ensure* that there shall be achieved the highest statutory and regulatory requirements applicable to all new or ~~increased~~ existing point source discharges of effluent and all cost-effective and reasonable best management practices for nonpoint source control...." The federal regulation uses the term *assure* rather than *ensure*. In order to make the regulation conform to the federal language, the word *ensure* is substituted with *assure*. The final change is a another staff initiated change and is related to Tier 3 waters in 9 VAC 25-260-30.A.3.b.(3) where activities allowed in Tier 3 waters are listed. Currently the regulation states that *nonpermitted* activities causing temporary sources of pollution under the jurisdiction of the board may be allowed. The word *nonpermitted* is deleted in the final draft (as well as the phrase *under the jurisdiction of the Board* as described previously) so that any temporary activity may be allowed as long as water quality is restored. **1,1 Dichloroethylene:** The last disapproved item from EPA was the human health criteria associated with 1,1 dichloroethylene. The board had proposed the EPA required values; but since the publication of those values, the EPA technical database that supports these human health criteria has changed. The final amendments reflect the more up to date technical information. EPA has verbally agreed that these final numbers are "approvable" under the Clean Water Act and meet the requirements of the consent decree.

Proposed Water Quality Planning Regulation and Repeal of Water Quality Management Plans as Regulations: At the May 6, 2002, Board meeting, the Board approved by unanimous vote the staff recommendations for three proposed Water Quality Management Planning Actions. However, the Board suspended the effective date of the regulatory actions to seek additional public comment on the changes made to the regulation after it was proposed. The three recommendations were:

1. adopt the proposed Virginia Water Quality Management Planning regulation, but suspend the effective date to allow for an additional comment period;
2. repeal the existing eighteen Water Quality Management Plans as regulations, but retain them as the basin wide or area wide plans until they are updated and suspend the effective date of the repeal to allow for an additional comment period; and
3. direct staff to implement the Water Quality Management Planning Public Participation Guidelines document as an agency guidance manual and to notify the Board of any future changes or modifications to the document.

The Water Quality Management Planning Regulation was public noticed in the Virginia Register to seek comment on those changes to the final regulation and suspension of the effective date of the final regulation. A public meeting was held on September 19, 2002. Based on staff review of the final regulation, the staff has added additional regulatory text and made a number of editorial changes to the regulation. In addition, staff has made changes to the final regulation to reflect the planned expansion and upgrade of the Town of Keysville's sewage treatment plant that discharges into Ash Camp Creek.. These changes reflect information contained in a preliminary engineering report developed in response to a Special Consent Order; approved by the Board on December 12, 2001; that directs the Town to expand and upgrade the facility. This change to the final regulation will enable the Town to move ahead with the needed expansion and upgrade of the sewage treatment plant.

Regulations Governing the Discharge of Sewage and Other Wastes from Boats; Adoption of 9 VAC 25-71 and Repeal of 9 VAC 25-70 and 9 VAC 25-730: The Board authorized public hearings for the regulation adoption and repeals at its December 12, 2001 Board meeting. No public comments were received, and no changes have been made to the proposed regulation since last reviewed by the Board. The purpose of the proposed regulation is to provide a state regulation to address discharges from boats of sewage, decayed wood, sawdust, shavings, bark, lime, garbage, refuse, ashes, offal, tar, oil, chemicals and other substances which may cause pollution in state waters and to identify designated No Discharge Zones where no discharges of sewage, treated or untreated, are allowed from boats. The end result of this regulatory action is to meet the requirements of the 2001 General Assembly and to clean up the books a little. The proposed regulation establishes an effective boating regulation to replace the obsolete 9 VAC 25-70 and provides a base regulation which can be modified to list future No Discharge Zones if designated.

Amendments to 9 VAC 25-120-10 et seq., General Virginia Pollution Discharge Elimination System (VPDES) Permit Regulation for Discharges from Petroleum Contaminated Sites and Hydrostatic Tests: This general permit will expire February 24, 2003. In order to provide continued coverage for permittees, another general permit must be in place by February 24, 2003. There were no comments at the public hearing, and no written comments were received during the public comment period.

Amendments to 9 VAC 25-196-10 et seq., General Virginia Pollution Discharge Elimination System (VPDES) Permit Regulation for Cooling Water Discharges: This general permit will expire March 1, 2003. In order to provide continued coverage for permittees, another general permit must be in place by March 1, 2003. One written comment was received during the public comment period. One company that has three facilities registered under the current permit commented that including a temperature limit in the permit is meaningless relative to their discharges. Although DEQ agrees that for certain discharge scenarios, effluent limitations for temperature may not be applicable or necessarily meaningful, because the permit covers a very broad spectrum of discharge scenarios, the permit is written to apply to the most restrictive case, and therefore the temperature limitation in the permit is appropriate. An owner who considers the permit inappropriate for a given discharge scenario has the option of applying for an individual VPDES permit.

General VPDES Permit Regulation for Concentrated Aquatic Animal Production Facilities, 9 VAC 25-195: The General VPDES Permit for Concentrated Aquatic Animal Production Facilities (Fish Farm General Permit) expires on March 5, 2003. The staff has been working on the regulation amendment to reissue this general permit. However, due to a small number of facilities that have registered for coverage and due to water quality impacts from some of these facilities, the staff will ask the Board at its December 11, 2002 meeting to repeal this general permit regulation and thus not reissue the general permit. According to state and federal regulation, VPDES permitting is required only for facilities that produce above a threshold of 20,000 pounds annually for coldwater fish, and 100,000 pounds annually for warmwater fish. The pollutant of concern with fish farms is solid matter that results from confinement of large concentrations of fish in a small area. The general permit limits total suspended solids and settleable solids in effluent discharges, requires solids management, and contains a special condition prohibiting solids discharges that result in streambed accumulation of solids. The effluent limitations are technology limits based on limits in proposed EPA effluent guidelines, on limits that were used in individual VPDES permits, and on limits used in other states. With no state water quality standard for solids and no direct way to relate numerical limits to achievement of water quality, the special condition regarding streambed accumulation was inserted as a safeguard. A reissued general permit would cover only 5 facilities. If we do not reissue the general permit these 5 facilities will require individual permits in addition to the 6 facilities on impaired waters. Site-specific requirements are apparently necessary in order to protect water quality in permitting this type of facility. Requiring all of the trout farms to obtain individual permits would thus better address water quality protection and would seem to address the fairness issue as well. For these reasons the staff believes it is best to not reissue the general permit and to repeal the regulation establishing it. All of the facilities that will be impacted have been notified of this and have been advised to submit applications for individual VPDES permits to be issued prior to March 2003.

FY 2003 VWRLF Loan Authorizations: The Board, at its meeting on October 3, 2002, targeted 17 projects for \$104,565,645 in loan assistance from available and anticipated FY 2003 funds and authorized the staff to present the proposed funding list for public comment. A public meeting will be held on November 22, 2002 in Richmond. The staff will provide the Board with the results of this meeting. All comments received to date have been in support of the projects targeted for assistance. In accordance with each project's residential user charge impact analysis, the loans and terms listed below are submitted for Board consideration. As noted, the staff is still completing the process of meeting with all potential loan recipients to verify the financial information utilized in developing those analyses.

FY 2003 Proposed Interest Rates and Loan Authorizations

<u>Locality</u>	<u>Loan Amount</u>	<u>Rates and Loan Terms [all @ 20 years]</u>
1. Hampton Roads Sanitation District	\$33,000,000	CR
2. Shenandoah County	\$ 3,500,000	3%
3. City of Newport News	\$ 3,200,000	CR
4. Scott County PSA	\$ 500,000	0%
5. Greensville County WSA	\$ 244,300	CR
6. Town of Vinton	\$ 1,975,100	CR
7. Town of Pearisburg	\$ 704,000	CR
8. Augusta County SA	\$ 5,000,000	CR
9. Prince William County SA	\$12,472,593	CR
10. City of Norfolk	\$ 8,170,000	CR
11. Pulaski County SA	\$ 388,151	CR
12. City of Salem	\$ 5,600,000	CR
13. City of Lynchburg	\$ 1,500,000	0%
14. Tazewell County PSA	\$ 1,000,000	3%
15. City of Roanoke	\$17,511,501	CR
16. County of Roanoke	\$ 9,000,000	CR
17. Lee County	\$ 800,000	3%
Total Request	\$104,565,645	

CR = ceiling rate is 3.75%

The staff continues to suggest that a time limitation be established on the 3.75% FY 2003 proposed ceiling rate. Rates would continue to be adjusted downward during the next year should the market rates begin to decline and the projects move to the construction stage. Accordingly, projects subsequently fixed at the Funds' upper limit, which have not proceeded to loan closing by September 1, 2003, could be subject to reevaluation based on market conditions should the bond market experience a substantial rate increase.